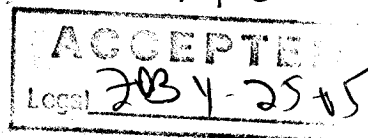




Lara Simmons Nichols
Assistant General Counsel



Duke Energy Corporation

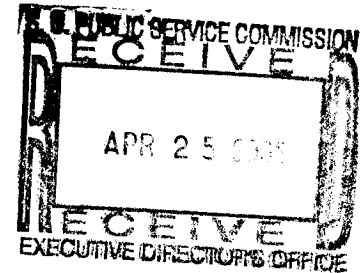
422 South Church Street
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422 S. Church Street
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lsnichols@duke-energy.com

April 20, 2005

The Honorable Charles Terreni
Chief Clerk and Administrator
The Public Service Commission of South Carolina
P. O. Drawer 11649
Columbia, SC 29211



RE: Schedule HP-Flex and Rider NL
Docket No. 2005-48-E, Order No. 2005-170

Dear Mr. Terreni:

Pursuant to the Commission's Order in the above-referenced docket issued on April 1, 2005, Duke Power, a division of Duke Energy Corporation, hereby files ten copies each of tariffs for Duke Power's (1) Schedule HP-Flex (SC), Hourly Pricing, Flexible Baseline (Pilot); (2) Rider NL (SC), Economic Development for New Load (Pilot); (3) Schedule HP-X (SC), Hourly Pricing for Incremental Load; and (4) Rider LR (SC), Interim Load Retention Rider. These tariffs reflect the Commission's approval of the new Schedule HP-Flex and Rider NL rates and minor modifications to Schedule HP-X. Additionally, the Availability section of Rider LR has been updated to include HP-Flex.

If you have any questions regarding this matter, please contact Lara Nichols at 704.382.9960 or Bill Austin at 803.748.9800.

Sincerely,

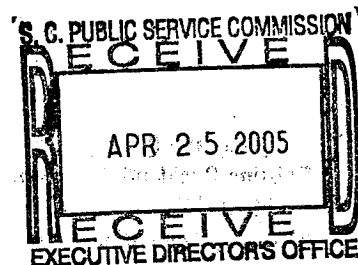
Lara Simmons Nichols
William F. Austin (Austin, Lewis & Rogers, P.A.)

pa

Enclosures

cc: Dan F. Arnett, Chief of Staff
South Carolina Office of Regulatory Staff

DUKE POWER
SOUTH CAROLINA ONLY
INDEX OF RATE SCHEDULES
EFFECTIVE April 8, 2005



<u>Electricity Schedule Name</u>	<u>Schedule Designation</u>	<u>Series No.</u>	<u>Leaf No.</u>	<u>Original or Revised Leaf</u>
Residential Service	RS (SC)	4	11	24 th Revised
Residential Service, Electric Water Heating and Space Conditioning	RE (SC)	4	13	25 th Revised
Residential Service, Energy Star	ES (SC)	4	14	Original
Residential Service, Time-of-Use	RT (SC)	4	15	24 th Revised
Residential Service, Water Heating, Controlled / Submetered	WC (SC)	4	17	24 th Revised
Residential Service	RB (SC)	4	18	23 rd Revised
General Service	G (SC)	4	20	22 nd Revised
General Service, Water Heating	W (SC)	4	22	22 nd Revised
General Service, All-Electric	GA (SC)	4	24	22 nd Revised
General Service, Miscellaneous				
Service to Cotton Gins	9 (SC)	4	25	22 nd Revised
Building Construction Service	BC (SC)	4	26	22 nd Revised
Outdoor Lighting Service	OL (SC)	4	32	26 th Revised
Floodlighting Service	FL (SC)	4	30	25 th Revised
Street and Public Lighting Service	PL (SC)	4	34	24 th Revised
Traffic Signal Service	TS (SC)	4	38	22 nd Revised
General Service	GB (SC)	4	27	22 nd Revised
General Service, Time-of-Use	GT (SC)	4	28	23 rd Revised
Industrial Service	I (SC)	4	41	22 nd Revised
Industrial Service, Time-of-Use	IT (SC)	4	48	22 nd Revised
Optional Power Service, Time-of-Use	OPT (SC)	4	51	23 rd Revised
Hourly Pricing for Incremental Load, Flexible Baseline (Pilot)	HP-FLEX (SC)	4	53	Original
Hourly Pricing for Incremental Load	HP-X (SC)	4	54	4 th Revised
Parallel Generation	PG (SC)	4	55	23 rd Revised
Electric Vehicle Service (Pilot)	EV-X (SC)	4	56	16 th Revised
Industrial Diversity	DIV (SC)	4	57	11 th Revised
Multiple Premises Service (Pilot)	MP (SC)	4	58	11 th Revised
Adjustment For Fuel Costs		4	50B	18 th Revised
Residential Load Control Rider	LC (SC)	4	70	5 th Revised
Interruptible Power Service Rider	IS (SC)	4	80	1 st Revised
Curtailable Service Rider (Pilot)	CS (SC)	4	81	Original
Standby Generator Control Rider	SG (SC)	4	82	2 nd Revised
Economic Development for New Load	NL (SC)	4	83	Original
Economic Development Rider	EC (SC)	4	84	1 st Revised
Interim True-Up of Deferral Accounts Rider		4	86	Original
Economic Redevelopment Rider	ER (SC)	4	87	1 st Revised
Interim Load Retention Rider	LR (SC)	4	89	1 st Revised
Purchased Power	PP (SC)	4	90	Original
Resale Service, Municipalities and Public Utilities Companies	10A	4	102	2 nd Revised

RIDER LR (SC)
INTERIM LOAD RETENTION RIDER (SC)

APPLICABILITY (South Carolina only)

This Rider is applicable to customers receiving service from the Company under Schedules I, IT, HP-X, HP-Flex, OPT, MP, DIV, GB or PG in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

All service supplied to industrial establishments as defined above is subject to a credit (decrement) to the energy charges of the Rate set forth in the approved rate schedules. This rider is effective for bills rendered on and after the first billing cycle in October 2004 through September 2005. The rate schedules reflect a credit of 0.1100 cents per kWh.

The appropriate revenue-related tax factor will be applied.

RIDER NL (SC)
ECONOMIC DEVELOPMENT FOR NEW LOAD
(Pilot)

AVAILABILITY (South Carolina Only)

Available, only at the Company's option, to nonresidential establishments receiving service from the Company under Schedule HP-Flex, provided that the establishment is not classified as Retail Trade or Public Administration by the Standard Industrial Classification (SIC) Manual published by the United States Government.

This Rider is available for load associated with initial permanent service in a new establishment not previously served by the Company or a new Customer in an existing establishment served or previously served by the Company, provided the establishment has been unoccupied and/or has remained dormant for a minimum period of six months, as determined by the Company. To qualify for service under this Rider, the Customer must meet the qualifications under A. or B. below

- A. The Customer must employ an additional workforce in the Company's service area of a minimum of thirty-five (35) full time equivalent (FTE) employees per 500 KW of New Load. Employment additions must occur following the Company's approval for service under this Rider.
- B. The Customer's New Load must result in capital investment of two hundred thousand dollars (\$200,000) per 500 KW of New Load. The capital investment must occur following the Company's approval for service under this Rider.

This Rider is not available for renewal of service following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. This Rider is also not available for load shifted from one establishment or delivery on the Duke system to another on the Duke system, or to an existing customer adding load in an existing establishment. However, if a change of ownership occurs after the customer contracts for service under this Rider, the successor customer may be allowed to fulfill the balance of the contract under Rider NL.

DEFINITIONS

New Load: New Load is that which is added to the Company's system as a result of the new customer taking service in a new establishment, or at an existing establishment provided the establishment has been unoccupied and/or has remained dormant for a minimum period of six months, as determined by the Company.

Delivery Date: The Delivery Date is the first date service is supplied under the contract.

Month: The term "month" as used in this Rider means the period intervening between readings for the purpose of monthly billings. Readings will be collected each month at intervals of approximately thirty (30) days.

GENERAL PROVISIONS

1. The Customer must make an application to the Company for service under this Rider and the Company must approve such application before the Customer may receive service hereunder. The application must include a description of the amount of and nature of the new load and the basis on which the Customer requests qualification shown in A. or B. under Availability above. In the application, the Customer must affirm that availability of this Rider was a factor in the Customer's decision to locate the new load on the Duke system.
2. To continue service under this Rider, the Customer must maintain a minimum monthly average of 300 hours use of demand.
3. All terms and conditions of Schedule HP-Flex applicable to the individual customer shall apply to service supplied to the Customer except as modified by this Rider.

MODIFICATIONS TO HP-FLEX CUSTOMER BASELINE

The Customer and the Company will identify the Customer's HP-Flex CBL expected to exist when the facility is at full operation. The Customer Baseline is increased in stages according to the following schedule.

The demand (KW) and kilowatt hours (kWh) for the Customer Baseline under Schedule HP-Flex shall be as follows:

Months 0 – 12	zero KW and zero kWh
Months 13-24	the lower of 25% of HP-Flex CBL at full operation or 80% of load for previous 12 months
Months 25-36	the lower of 50% of HP-Flex CBL at full operation or 80% of load for previous 12 months
Months 37-48	the lower of 75% of HP-Flex CBL at full operation or 80% of load for previous 12 months
After Month 48	100% of HP-Flex CBL at full operation

SCHEDULE HP-FLEX (SC)
HOURLY PRICING, FLEXIBLE BASELINE
(Pilot)

AVAILABILITY (South Carolina Only)

Available to non-residential establishments which qualify for service under the Company's rate schedules G, GA, I, GT, IT, OPT or PG, at the Company's option on a voluntary basis. The maximum number of Customers on the system to be served under this Schedule is eighty (80).

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available for a Customer who qualifies for a residential schedule, nor for auxiliary or breakdown service. Power delivered under this Schedule shall not be used for resale or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any Customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

The Company may cancel this Schedule at any time it deems necessary.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective Customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

GENERAL PROVISIONS

This Schedule incorporates a Customer Baseline (CBL) and a Customer-selected Pricing Baseline (PBL). The CBL represents the annual Customer load profile that would exist if the Customer were billed on one of the standard rates shown in the Availability section of this Schedule. Load above and below the CBL is subject to a day ahead hourly price, however, in order to manage the risk associated with the hourly price, the Customer may select and contract for an annual load profile, identified as a Pricing Baseline, that may be different from the CBL. The variation in load above and below the PBL is subject to the Hourly Price as defined herein. The difference between the PBL and the CBL is assessed a PBL Adjustment Charge/Credit for each hour of the contract year during which the PBL is in effect. The PBL Adjustment Charge/Credit is based on the expected price for each hour of the contract year, as forecasted by the Company.

The Company will determine an annual enrollment period during which the Customer and the Company must agree on the Pricing Baseline. If the Customer elects to set the PBL equal to the CBL, no PBL charges or credits will apply. At the end of the contract year, the PBL will automatically be set equal to the CBL unless the Customer establishes a new PBL for the next contract year, or discontinues service under this Schedule.

DEFINITIONS

Customer Baseline (CBL): The CBL (kWh per hour) is one full year (365 days) of the individual Customer's hourly loads representing the Customer's energy use and load pattern on the applicable qualifying rate schedule.

Net Incremental Energy: Energy above the CBL less energy below the CBL for the month.

SCHEDULE HP-FLEX (SC) (continued)

minimum bill.

Where: Administrative Charge = \$365.00 per month

CBL Charge = \$ amount calculated from CBL

PBL Adjustment Charge/Credit = \$ amount calculated from PBL

Hourly Charges = Sum of [(New Load kWh per hour – Reduced Load kWh per hour) X (Hourly Price)]

Incremental Demand Charge = Incremental Demand KW x \$0.25 per KW

Standby Charge = (see Provision for Customers Operating in Parallel with the Company)

Contribution to Fixed Costs = Net Incremental Energy X Contribution to Fixed Costs, but not less than zero

MINIMUM BILL

The minimum bill shall be the bill calculated according to Bill Determination above, but the Incremental Demand Charge shall not be less than \$0.25 per KW times 50% of the Contract Demand.

DETERMINATION OF PRICING PERIODS

Each hour of the day is a distinct pricing period. The initial pricing period of the day is a one-hour period beginning at 12:00:01 a.m. and ending at 1:00:00 a.m. The last pricing hour of the day begins at 11:00:01 p.m. and ends at 12:00 midnight.

HOURLY PRICE DETERMINATION

Each business day by 4:00 p.m., the Hourly Energy Charges, and Hourly Rationing Charges, if applicable, for the 24 hours of the following day will be communicated to the Customer. Prices for weekends and Company holidays will be communicated to the Customer by 4:00 p.m. on the last business day before the weekend or holiday. The Customer is responsible for notifying the Company if he fails to receive the price information.

DETERMINATION OF HOURLY PRICES FOR PBL ADJUSTMENT

Each year, the Company will perform a 12-month forecast of hourly prices used to determine the PBL Adjustment Charge.

CONFIDENTIALITY

The hourly Energy Charges and Rationing Charges and the PBL Adjustment Charge communicated to the Customer (collectively Charges) are confidential and proprietary information of the Company. The Customer will use the Charges only in connection with service under this Schedule. The Customer will keep the Charges confidential and shall not disclose the Charges to any third party. The Customer is entitled to disclose the Charges to the Customer's employees or agents who have a business need to know for the purpose of operating under this Schedule. The Customer will advise those to whom it discloses the Charges their obligation not to disclose the information except as permitted under this Schedule. In addition to seeking relief from the Commission for a violation of this Agreement, the Company will have a right to resort to all actions available at law or at equity for a breach of this provision.

PROVISION FOR CUSTOMERS OPERATING IN PARALLEL WITH THE COMPANY

If a Customer has power generating facilities operated in parallel with the Company and the CBL Charge is not calculated under Schedule PG, the Standby Charge, Determination of Standby Charges and Interconnection Facilities Charge provisions of Schedule PG shall be applicable to service under this Schedule. The Incremental Demand Charge does not apply to any incremental demand that is less than Standby Demand.

PROVISION FOR CUSTOMERS SERVED UNDER RIDER IS

For Customers served under Rider IS, the Interruptible Contract Demand shall be the same as that contracted for during the baseline period. Further, the calculation of the Effective Interruptible Demand (EID) each month will exclude all energy consumed above the CBL. The Hourly Rationing Charge will not apply to reduced load above Firm Contract Demand during the hours of interruption periods.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the kWh of Load for each hour, and the kilowatts of Incremental Demand by multiplying by 85 percent and dividing by the average power factor in percent. When the hourly power factor of the Customer's power requirements is less than 85 percent, and the Customer is operating in parallel, the Company will correct the kWh of Load for that hour, and the kilowatts of Incremental Demand, if established in that hour, by multiplying by 85 percent and dividing by the average power factor in percent for that hour.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule, including determination of the CBL and PBL charges.

INTERIM LOAD RETENTION RIDER

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

SCHEDULE HP-X (SC)
HOURLY PRICING FOR INCREMENTAL LOAD**AVAILABILITY (South Carolina Only)**

Available to non-residential establishments with a minimum Contract Demand of 1000 KW who qualify for service under the Company's rate schedules G, GA, I, GT, IT, OPT, or PG, at the Company's option on a voluntary basis. The maximum number of customers on the system to be served under this schedule is one hundred fifty (150).

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available for a customer who qualifies for a residential schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

The Company may cancel this schedule at any time it deems necessary.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

BILL DETERMINATION

The monthly bill under this schedule shall be the sum of the Baseline Charge, Rationing Charge, Incremental Demand Charge, Standby Charge (if applicable), and Energy Charge and shall be the minimum bill.

Where: Baseline Charge = \$ amount calculated from CBL

Rationing Charge = Sum of [(New Load kWh per hour - Reduced Load kWh per hour) X Hourly Rationing Charge]

Incremental Demand Charge = Incremental Demand KW X \$.25 per KW

Standby Charge = (see Provision for Customers Operating in Parallel with the Company)

Energy Charge = (a) + (b)

Where:

(a) = Sum of [(New Load kWh per hour - Reduced Load kWh per hour) X Hourly Energy Charge]

(b) = Net New Load kWh X .5 Cents per kWh Incentive Margin

DEFINITIONS

Customer Baseline Load (CBL): The CBL (kWh per hour) is one full year (365 days) of the individual customer's hourly loads representing the customer's energy use and load pattern on the applicable qualifying rate schedule. The CBL, as agreed to by the Customer, and the Company, is used to define the level of kWh in each hour, above which all kWh will be billed at the hourly energy prices described under Schedule HP-X.

New Load: New Load (kWh per hour) is the amount by which actual kWh in any hour exceeds the CBL kWh for the same hour.

Reduced Load: Reduced Load (kWh per hour) is the amount by which actual kWh in any hour is less than the CBL kWh for the same hour.

Net New Load: Net New Load (kWh per month) is the sum of New Load kWh per hour during the month less the sum of Reduced Load kWh per hour during the month.

SCHEDULE HP-X (SC) (continued)

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under the Schedule, including determination of the Baseline Charge.

INTERIM LOAD RETENTION RIDER

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

EXTRA FACILITIES CHARGE

A monthly "Extra Facilities Charge" equal to 1.7% of the installed cost of extra facilities necessary for service under Schedule HP-X, but not less than \$25, shall be billed to the Customer in addition to the bill under Schedule HP-X described under Bill Determination and any applicable Extra Facilities Charge included in the Baseline Charge.

MODIFICATIONS OF THE CBL

The CBL will normally represent a full year under the same rate design or structure, and may be reestablished every four years. Modifications to the CBL may be allowed at the option of the Company under certain situations. These situations may include, but are not limited to, the following:

- Adjustments of load patterns associated with annual plant shutdowns, or to smooth random variations in the load pattern, provided the modifications result in revenue neutrality
- One-time permanent modifications to the physical establishment capacity completed prior to initiating service on this schedule
- Adjustments to reflect any Company-sponsored load management program

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each Customer shall enter into a contract to purchase electricity under this schedule for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter, by giving at least sixty (60) days previous notice of such termination in writing.

South Carolina Fourth Revised Leaf No. 54
Effective for bills on and after April 8, 2005
PSCSC Docket No. 2005-48-E
Adjustment for Fuel Costs
Effective for bills on and after June 1, 2004
PSCSC Docket No. 2004-003-E
Interim Load Retention Rider
Effective with October 2004 billing cycles
PSCSC Docket No. 2004-250-E
Order No. 2004-450